

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 131304
ORIGIN EB-07

INFO OCT-01 EUR-12 ISO-00 IGA-02 ABF-01 H-01 L-03
AGR-05 AID-05 CEA-01 CIAE-00 COME-00 EA-07 FRB-03
INR-07 IO-13 NEA-10 NSAE-00 USIA-06 OPIC-03 SP-02
TRSE-00 LAB-04 EPG-02 SIL-01 OMB-01 /097 R

DRAFTED BY EB/OF/FFD:STJOHNSON:MSS
APPROVED BY EB/OF/FFD:RMOGDEN
H-PSTAHNKE(INFO)
EUR/RPE-JPMC CLEAN

-----080907Z 109019 /21

R 072209Z JUN 77
FM SECSTATE WASHDC
TO AMEMBASSY BRUSSELS

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USEEC

E.O. 11652: N/A

TAGS: EAID, EEC

SUBJECT: CHANGE IN PL 480 CRITERION

REF: BRUSSELS 5679

1. THE ADMINISTRATION HAS PROPOSED TO CONGRESS THAT THE
\$300 PER CAPITA GNP FIGURE AT PRESENT BEING USED TO
ALLOCATE 75 PERCENT OF TITLE I ASSISTANCE BE CHANGED TO
THOSE COUNTRIES "MEETING THE POVERTY CRITERION ESTABLISHED
FOR INTERNATIONAL DEVELOPMENT ASSOCIATION FINANCING."
THIS CRITERION AT THIS TIME EQUALS \$520 PER CAPITA GNP.
BOTH HOUSES OF CONGRESS HAVE ACCEPTED THIS CHANGE IN
THEIR SEPARATE CONSIDERATION OF REVISIONS OF THE PL 480
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ACT. NO FINAL VERSION OF THE ENTIRE ACT HAS YET EMERGED
FROM CONGRESS, HOWEVER. NEVERTHELESS, THERE APPEARS TO
BE LITTLE CONTROVERSY REGARDING THIS PARTICULAR PROPOSED
CHANGE.

2. OBVIOUSLY ANY POVERTY CRITERION OF THIS SORT IS
ARBITRARY, BUT THE IDA FIGURE IS AN INTERNATIONALLY

ACCEPTED ONE. IT ALSO HAS THE ADVANTAGE OVER THE OLD
\$300 FIGURE, WHICH IS TIED TO THE WORLD BANK REPORT
WHICH IS EXPRESSED IN CURRENT DOLLARS, OF BEING ADJUSTED

PERIODICALLY FOR INFLATION. UNDER THE \$300 RULE
COUNTRIES COULD MOVE FROM THE 75 TO THE 25 PERCENT
CATEGORY WITH NO REAL GAIN IN PER CAPITA GNP, AND
PERHAPS EVEN A LOSS, BECAUSE OF INFLATION. WE ARE,
THEREFORE, HAVING INCREASING DIFFICULTY IN MEETING
THIS CRITERION. VANCE

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PL 480, STANDARDS
Control Number: n/a
Copy: SINGLE
Sent Date: 07-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE131304
Document Source: CORE
Document Unique ID: 00
Drafter: STJOHNSON:MSS
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770203-1248
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770681/aaaactja.tel
Line Count: 72
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 78203a83-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 BRUSSELS 5679
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2242974
Secure: OPEN
Status: NATIVE
Subject: CHANGE IN PL 480 CRITERION
TAGS: EAID, EEC
To: BRUSSELS
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/78203a83-c288-dd11-92da-001cc4696bcc
Review Markings:
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